



Mimaki Engineering Co., Ltd.

Second Quarter of Fiscal Year Ending March 31, 2024

# Financial Results Briefing Materials

November 14, 2023



Securities Code  
6638



UCJV330 Series Mimaki

JF-X600-2513

Tiger600-1800TS

3DUJ-2207

3DUJ-2207

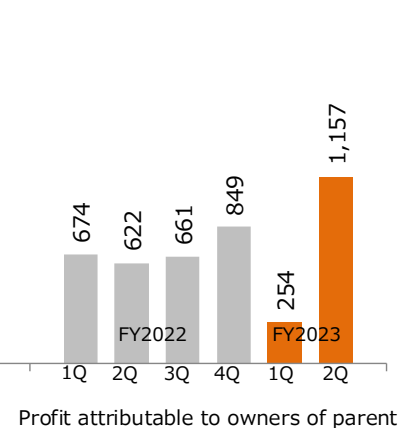
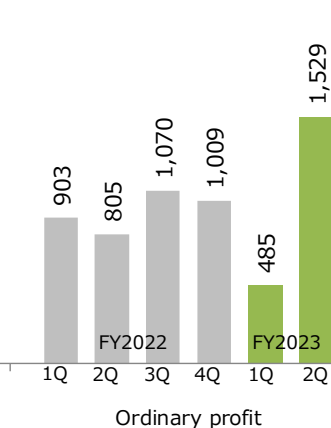
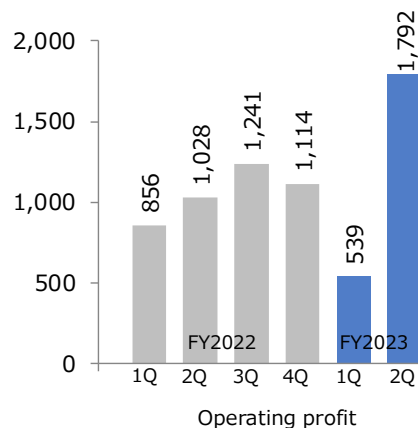
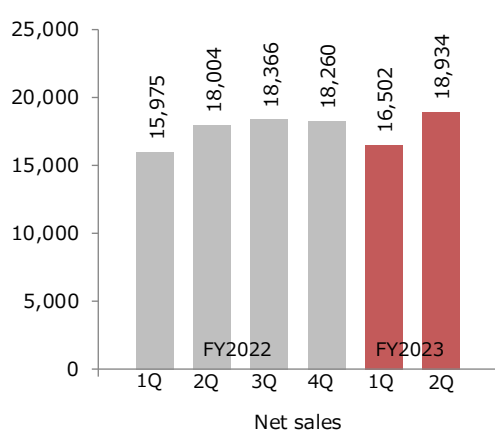
## Consolidated Results for FY2023

- ❖ Second quarter and first half results
- ❖ FY2023 full business year forecast

# Consolidated Performance Highlights (Results for 2Q FY2023)



(Millions of yen)		FY2022		FY2023 <small>* Excluding the impact of exchange rate</small>				
		2Q Actual	Sales ratio	2Q Actual	Sales ratio	Change from FY2022		
						Amount	Percentage	Percentage*
<span style="color: red;">■</span> Net sales		18,004	—	18,934	—	+929	+5.2%	+0.9%
<span style="color: blue;">■</span> Operating profit		1,028	5.7%	1,792	9.5%	+763	+74.2%	—
<span style="color: green;">■</span> Ordinary profit		805	4.5%	1,529	8.1%	+723	+89.8%	—
<span style="color: orange;">■</span> Profit attributable to owners of parent		622	3.5%	1,157	6.1%	+535	+86.1%	—
Exchange rate (yen)	USD	138.38	—	144.63	—	+6.24	+4.5%	—
	EUR	139.34	—	157.29	—	+17.95	+12.9%	—



# Consolidated Financial Highlights (for 2Q FY2023)



## ■ 2Q net sales

- Sales increased by 929 million yen compared to the same period of FY2022 (+5%, including +780 million yen due to the impact of exchange rates), down from the previous forecast.
- 1Q results were affected by lagging sales activities and the impact of a general recession, so each area actively developed the mini-exhibition strategy and made efforts for steady acquisition and closing of individual business deals in 2Q. While sales in Europe were negatively impacted by the economic stagnation due to the prolonged situation in Ukraine, sales in North America recovered, and sales in Japan were strong.
- Sales of TxF150, a direct to film (DTF) printer that was introduced to the market in the current fiscal year, were strong in the TA market, and SG sales were also steady. However, IP sales decreased compared to the same period of FY2022 when sales of new products expanded, and FA sales decreased compared to the same period of FY2022 when a higher level of demand was present.
- Sales in 2Q grew and steadily recovered, even excluding the positive effect of the yen's depreciation on foreign exchange.

## ■ 2Q operating profit

- Profit increased by 763 million yen compared to the same period of FY2022 (+74%, including +490 million yen due to the impact of exchange rates), exceeding the previous forecast.
- The cost of sales ratio improved due to a decline in transportation costs as well as the effects of a review in selling prices in light of cost increases, despite continued sales of products using high-cost parts procured in the previous fiscal year. While SG&A expenses increased due to raised business activity, growth in the ratio of SG&A expenses to sales was controlled. With an additional effect of the yen's depreciation on foreign exchange, operating profit increased significantly.

## ■ Balance sheet as of 2Q

- CCC\*, a key indicator, decreased in comparison to the end of the previous fiscal year as a result of sales expansion, accelerated collection of accounts receivable, inventory reduction activities, etc.

2022/end of September: 5.14 → end of December: 4.83 → 2023/end of March: 5.27 → end of June: 6.09 → end of September: 5.16

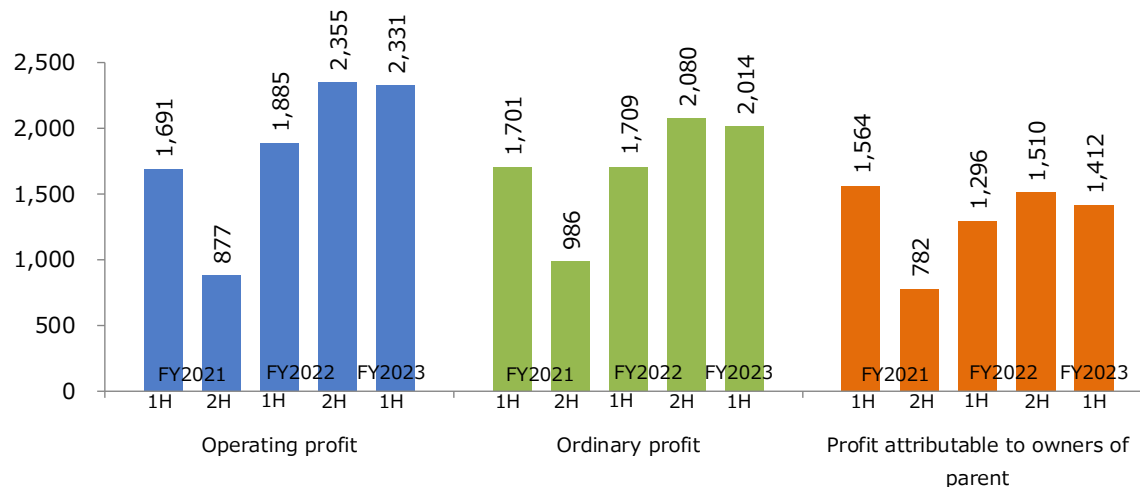
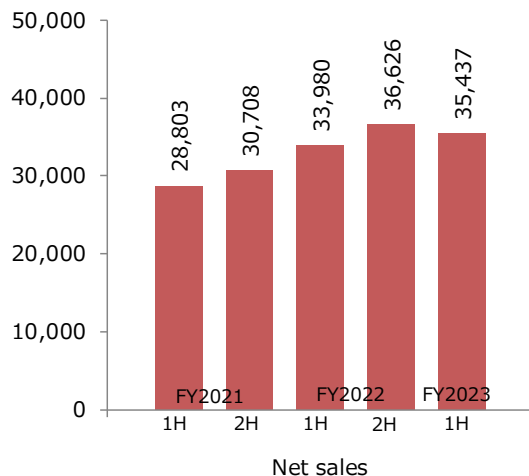
\*CCC: Cash Conversion Cycle

# Consolidated Performance Highlights (Results for 1H FY2023)



(Millions of yen)		FY2022		FY2023						
		First half Actual	Sales ratio	First half Actual	Sales ratio	Change from FY2022			Previous forecast	Change from previous forecast
						Amount	Percentage	Percentage*		
Net sales		33,980	–	35,437	–	+1,457	+4.3%	+0.3%	37,200	-1,762
Operating profit		1,885	5.5%	2,331	6.6%	+446	+23.7%	–	1,850	+481
Ordinary profit		1,709	5.0%	2,014	5.7%	+305	+17.9%	–	1,590	+424
Profit attributable to owners of parent		1,296	3.8%	1,412	4.0%	+116	+9.0%	–	1,100	+312
Exchange rate (yen)	USD	133.98	–	141.00	–	+7.02	+5.2%	–	135.00	+6.00
	EUR	138.72	–	153.38	–	+14.66	+10.6%	–	142.00	+11.38

\* Excluding the impact of exchange rate



# Factors Effecting Operating Profit (1H FY2022 vs 1H FY2023)



## [Impact by currency]

USD: 133.98 yen → 141.00 yen	+209
EUR: 138.72 yen → 153.38 yen	+528
CNY: 19.88 yen → 19.75 yen	+10
TRY: 7.99 yen → 6.02 yen	-116
BRL: 26.38 yen → 28.70 yen	+64
Other (AUD, IDR, etc.)	+49
<b>Total</b>	<b>+746</b>

## [FX impact on net sales, cost of sales, and operating profit]

Net sales 1,344 - Cost of sales 290 - SG&A expenses 307 =  
Operating profit 746

## [Factors behind changes in cost of sales ratio]

Although sales of products using high-cost materials procured in the previous fiscal year continued, this improved due to a decrease in transportation costs and the effect of a review of sales prices in response to rising costs.

## [Factors behind changes in SG&A expenses]

Labor expenses	+190
R&D expenses	+144
Travel and transportation expenses	+133
Commission paid	+87
Allowance for doubtful accounts	+71
Rent	+70
Others	+78
<b>Total</b>	<b>+773</b>

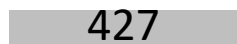
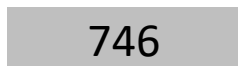
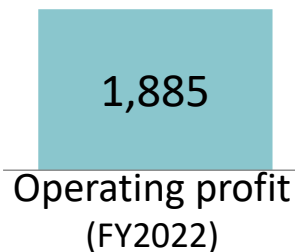
(Unit: millions of yen)

(1) FX impact

(2) Impact of change in net sales

(3) Impact of change in cost of sales ratio

(4) Impact of change in SG&A expenses



Cost of sales ratio

60.0%

↓  
58.7%

(-1.3 pt)

SG&A expenses ratio

34.5%

↓  
36.6%

(+2.1 pt)



Operating profit (FY2023)

Operating profit 446 million yen

# Sales by Market Segment (Results for 2Q FY2023)



(Millions of yen)	FY2022		FY2023				Sales ratio
	2Q Actual	Sales ratio	2Q Actual	Change from FY2022		Sales ratio	
				Amount	Percentage		
■ SG market	7,066	39.2%	7,482	+415	+5.9%	+1.1%	39.5%
■ IP market	4,851	26.9%	4,806	-45	-0.9%	-5.4%	25.4%
■ TA market	1,778	9.9%	2,500	+722	+40.6%	+34.0%	13.2%
■ FA business	1,414	7.9%	1,084	-329	-23.3%	-23.7%	5.7%
■ Others	2,893	16.1%	3,060	+166	+5.8%	—	16.2%
Total	18,004	100.0%	18,934	+929	+5.2%	+0.9%	100.0%

\* Excluding the impact of exchange rate

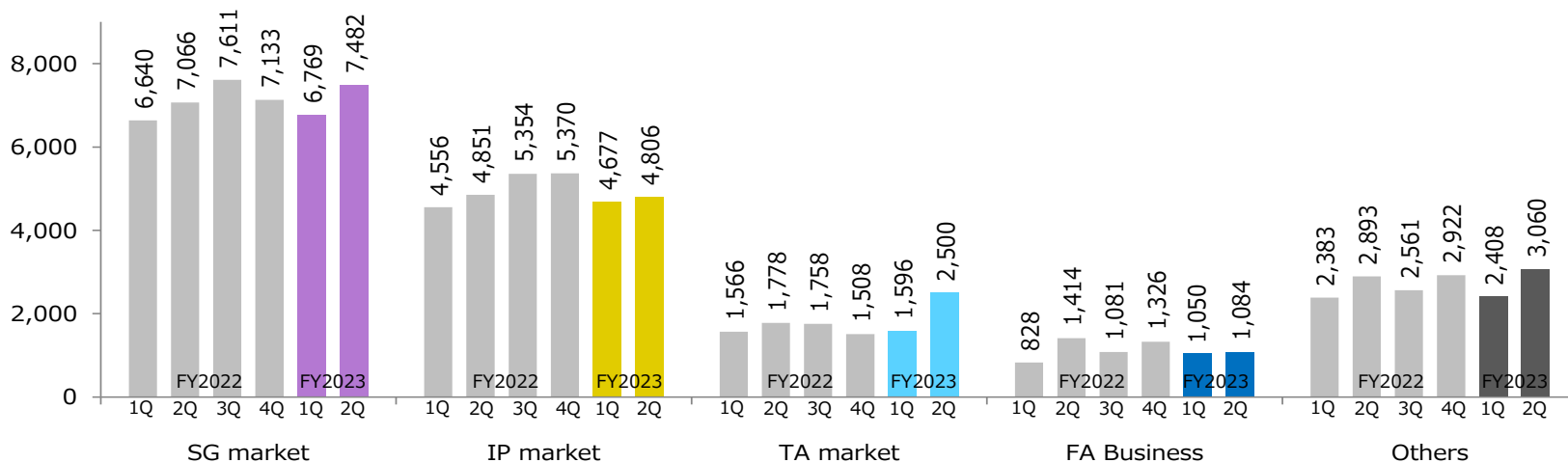
- SG market : Sales of main units decreased mainly for existing models while sales of flagship and entry-level models increased. In addition, ink sales were firm, and the positive impact of foreign exchange rates resulted in an increase in sales.
- IP market : Sales of main units remained at the same level as in the same period of FY2022 with an increase in ink sales and the positive impact of foreign exchange rates, despite a decrease in sales of compact flatbed printers compared to the same period of FY2022 when sales of new products expanded.
- TA market : Sales of new products introduced from this fiscal year were strong, mainly in developed countries, contributing to a significant increase in main unit sales with firm ink sales, and overall sales increased significantly.
- FA business : While sales of metal processing and PCB mounting equipment increased, sales of semiconductor production equipment, FA equipment, and PCB inspection equipment which were strong in the same period of the previous year due to increased demand decreased, resulting in a decrease in overall sales.

# Sales by Market Segment (Results for 1H FY2023)



(Millions of yen)	FY2022		FY2023						
	First half Actual	Sales ratio	First half Actual	Change from FY2022			Sales ratio	Previous forecast	Change from previous forecast
				Amount	Percentage	Percentage*			
SG market	13,707	40.3%	14,251	+544	+4.0%	-0.6%	40.2%	15,692	-1,440
IP market	9,407	27.7%	9,484	+76	+0.8%	-3.3%	26.8%	10,325	-840
TA market	3,345	9.8%	4,097	+751	+22.5%	+17.2%	11.6%	4,021	+75
FA business	2,243	6.6%	2,135	-107	-4.8%	-4.7%	6.0%	2,337	-202
Others	5,276	15.5%	5,469	+192	+3.6%	-	15.4%	4,823	+646
<b>Total</b>	<b>33,980</b>	<b>100.0%</b>	<b>35,437</b>	<b>+1,457</b>	<b>+4.3%</b>	<b>+0.3%</b>	<b>100.0%</b>	<b>37,200</b>	<b>-1,762</b>

\* Excluding the impact of exchange rate





# Sales by Area (Results for 2Q FY2023)



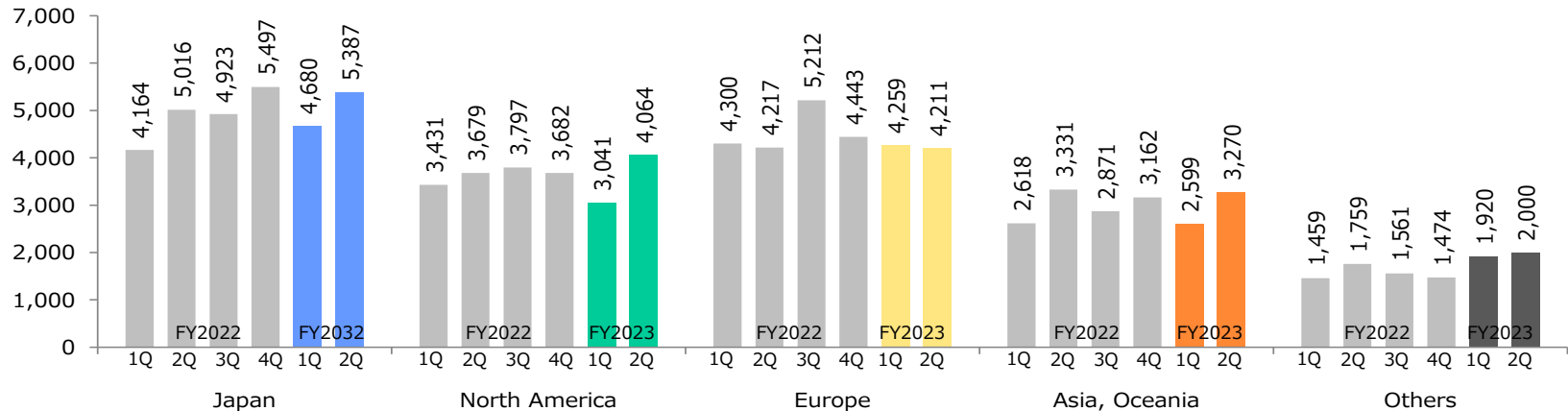
(Millions of yen)	FY2022		FY2023			
	2Q Actual	Sales ratio	2Q Actual	Change from FY2022		Sales ratio
				Amount	Percentage	
■ Japan	5,016	27.9%	5,387	+370	+7.4%	28.5%
■ North America	3,679	20.4%	4,064	+385	+10.5%	21.5%
Local currency:\$	26.5M	–	28.1M	+1.5M	+5.7%	–
■ Europe	4,217	23.4%	4,211	-6	-0.2%	22.2%
Local currency:€	30.2M	–	26.7M	-3.4M	-11.6%	–
■ Asia, Oceania	3,331	18.5%	3,270	-60	-1.8%	17.3%
■ Others	1,759	9.8%	2,000	+240	+13.7%	10.6%
Total	18,004	100.0%	18,934	+929	+5.2%	100.0%

- Japan: Although strong sales in the SG, IP, and TA markets continued under growing demand due to the economic recovery, a sales decrease in the FA business resulted in an overall reduced growth rate.
- North America: Strengthened sales activities while the U.S. economy remained firm led to significantly increased TA sales as well as recovery of SG sales. Despite a decrease in IP sales, which were strong in the same period of FY2022, overall sales increased significantly with the positive impact of foreign exchange rates.
- Europe: While affected by the prolonged situation in Ukraine, TA sales increased significantly, but SG and IP sales declined. For the results by country, sales decreased in major countries such as Germany and the U.K., while overall sales secured the same level as in the same period of FY2022 when the positive impact of foreign exchange rates is taken into account.
- Asia and Oceania: Although sales decreased in Australia, SG and TA sales grew due to demand recovery in China and Thailand and sales expansion in India, while FA sales decreased in Taiwan, which were favorable in the same period of FY2022, and overall sales slightly decreased.

# Sales by Area (Results for 1H FY2023)



(Millions of yen)	FY2022		FY2023					
	First half Actual	Sales ratio	First half Actual	Change from FY2022		Sales ratio	Previous forecast	Change from previous forecast
				Amount	Percentage			
Japan	9,181	27.0%	10,068	+886	+9.7%	28.4%	9,698	+370
North America	7,110	20.9%	7,106	-3	-0.1%	20.1%	7,628	-521
Local currency:\$	53.0M	-	50.2M	-2.8M	-5.3%	-	57.3M	-7.1M
Europe	8,518	25.1%	8,471	-47	-0.6%	23.9%	10,112	-1,640
Local currency:€	61.4M	-	55.2M	-6.1M	-10.0%	-	74.3M	-19.1M
Asia, Oceania	5,950	17.5%	5,870	-80	-1.3%	16.6%	6,319	-449
Others	3,218	9.5%	3,920	+701	+21.8%	11.1%	3,441	+479
<b>Total</b>	<b>33,980</b>	<b>100.0%</b>	<b>35,437</b>	<b>+1,457</b>	<b>+4.3%</b>	<b>100.0%</b>	<b>37,200</b>	<b>-1,762</b>



# Condensed Balance Sheet (as of September 30, 2023)



(Millions of yen)	31-Mar-23	30-Sep-23	Change	
<b>Assets</b>				
Cash and deposits	10,485	14,008	3,523	33.6%
Notes and accounts receivable - trade *1	12,303	12,426	122	1.0%
Inventories	28,015	28,007	-8	-0.0%
Other	2,888	2,455	-432	-15.0%
<b>Total current assets</b>	<b>53,692</b>	<b>56,898</b>	<b>3,205</b>	<b>6.0%</b>
Property, plant and equipment	12,011	12,449	438	3.6%
Intangible assets	911	1,201	289	31.8%
Investments and other assets	3,174	3,409	235	7.4%
<b>Total non-current assets</b>	<b>16,097</b>	<b>17,061</b>	<b>963</b>	<b>6.0%</b>
<b>Total assets</b>	<b>69,789</b>	<b>73,959</b>	<b>4,169</b>	<b>6.0%</b>
<b>Liabilities and Net assets</b>				
Notes and accounts payable - trade *1	9,103	9,094	-9	-0.1%
Short-term borrowings *2	21,525	22,836	1,311	6.1%
Other	9,515	9,381	-133	-1.4%
<b>Total current liabilities</b>	<b>40,144</b>	<b>41,312</b>	<b>1,167</b>	<b>2.9%</b>
Long-term borrowings	5,476	5,657	181	3.3%
Other	2,112	2,237	124	5.9%
<b>Total non-current liabilities</b>	<b>7,589</b>	<b>7,894</b>	<b>305</b>	<b>4.0%</b>
<b>Total liabilities</b>	<b>47,733</b>	<b>49,206</b>	<b>1,473</b>	<b>3.1%</b>
<b>Total net assets</b>	<b>22,056</b>	<b>24,752</b>	<b>2,696</b>	<b>12.2%</b>
<b>Total liabilities and net assets</b>	<b>69,789</b>	<b>73,959</b>	<b>4,169</b>	<b>6.0%</b>

## ❖ Assets +4,169

- **Current assets (+3,205)**  
→ Increase in cash and deposits, etc.
- **Property, plant and equipment (+438)**  
→ Increase in buildings and structures, etc.
- **Investments and other assets (+235)**  
→ Increase in deferred tax assets, etc.

## ❖ Liabilities +1,473

- **Current liabilities (+1,167)**  
→ Notes and accounts payable-trade (-584)  
→ Short-term borrowings (+1,226)  
Electronically recorded obligations - operating (+575)
- **Non-current liabilities (+305)**  
→ Long-term borrowings (+181)  
→ Lease obligations (+121)

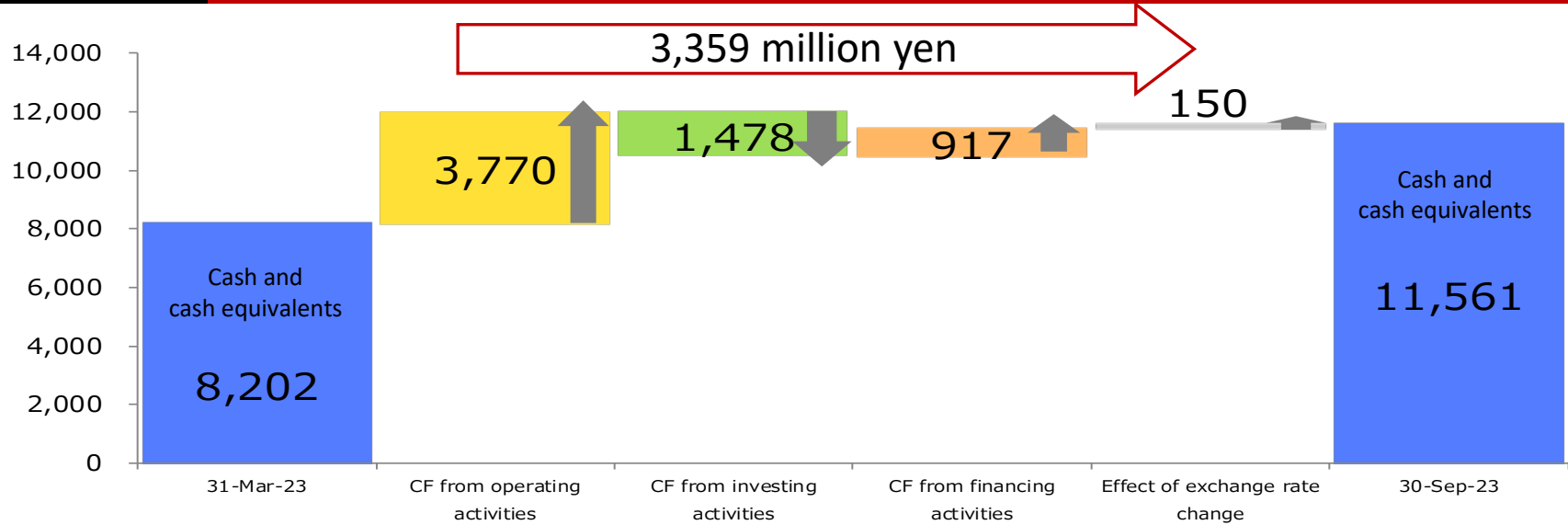
## ❖ Net assets +2,696

- Foreign currency translation adjustment (+1,478)

(\*1) Including electronically recorded monetary claims - operating and electronically recorded obligations - operating

(\*2) Including current portion of long-term borrowings

# Cash Flows (Results for 1H FY2023)



## Cash flows from operating activities

EBITDA (*)	3,342
Increase in working capital	1,338
Taxes, interest payments, etc.	-910
<b>Total</b>	<b>3,770</b>

## Cash flows from investing activities

Fixed deposit balance	-150
Acquisition of non-current assets	-1,327
Others	0
<b>Total</b>	<b>-1,478</b>

## Cash flows from financing activities

Proceeds from short and long-term borrowings	1,397
Dividends paid	-272
Others	-207
<b>Total</b>	<b>917</b>

(\*) Operating profit before interest, taxes, and amortization

## Consolidated Results for FY2023

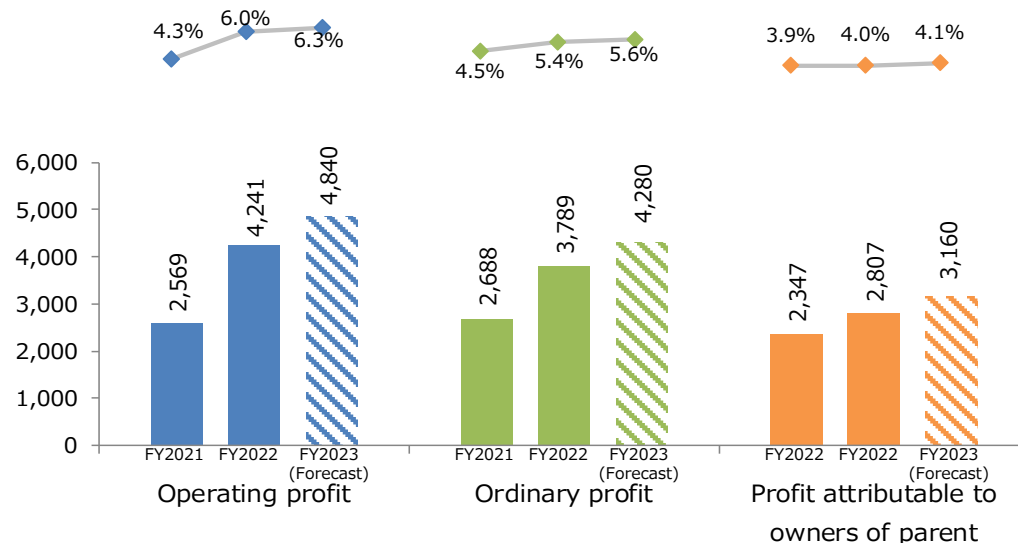
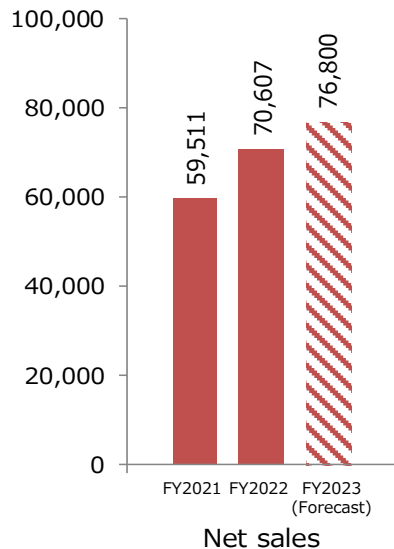
- ❖ Second quarter and first half results
- ❖ FY2023 full business year forecast

# Consolidated Performance Forecast Highlights (FY2023)



(Millions of yen)		FY2022		FY2023								
		Fiscal year Actual	Sales ratio	Second half Forecast (Revised, net)	Sales ratio	Change from FY2022	Fiscal year Forecast (Revised)	Sales ratio	Change from FY2022			Change from previous forecast
									Amount	Percentage	Percentage*	
Net sales		70,607	—	41,362	—	+4,735	76,800	—	+6,192	+8.8%	+6.0%	-1,200
Operating profit		4,241	6.0%	2,508	6.1%	+152	4,840	6.3%	+598	+14.1%	—	+440
Ordinary profit		3,789	5.4%	2,265	5.5%	+184	4,280	5.6%	+490	+12.9%	—	+420
Profit attributable to owners of parent		2,807	4.0%	1,747	4.2%	+236	3,160	4.1%	+352	+12.6%	—	+310
Exchange rate (yen)	USD	135.48	—	140.00	—	+3.02	140.50	—	+5.02	+3.7%	—	+6.50
	EUR	140.97	—	145.00	—	+1.79	149.19	—	+8.22	+5.8%	—	+10.19

\* Excluding the impact of exchange rate



# Key Points of the Consolidated Performance Forecast (FY2023)



## ■ Assumptions underlying the consolidated performance forecast

### ① Net sales

In addition to continuing strong sales of new products in the TA market, we will introduce new products in the SG and TA markets in 2H while we continue to strengthen sales activities. On the other hand, in consideration of concerns over a global economic slowdown and the progress in 1H, the forecast for the fiscal year was revised downward.

New products  
in SG market  
in 2H



**UC JV330 Series**  
UC JV330-160/130



**UJV100-160Plus**

Further enhancement of the “UV = Mimaki” lineup

New products  
in TA market  
in 2H



**Tiger600-1800TS**

High-Speed Sublimation Transfer Printer:  
Achieving the Highest Productivity Among  
Our Machines

### ② Operating profit

Operating profit for 2H is expected to be in line with the initial forecast, in consideration of the many unclear factors overall, while the forecast for the fiscal year was revised upward, taking into account the progress in 1H.

### ③ Exchange rates assumed for 2H have been changed as follows: USD: 140 yen, EUR: 145 yen

- Based on the Group’s management policy for FY2023 of “Create,” Mimaki Engineering will continue its commitment to growing net sales and reaching the “Mimaki V10” goal of an operating profit ratio of 10% by FY2025.

# Factors Effecting Operating Profit (FY2022 Results vs FY2023 Forecast)



(Unit: millions of yen)

## [Impact by currency]

USD: 135.48 yen → 140.50 yen	380
EUR: 140.97 yen → 149.19 yen	781
CNY: 19.75 yen → 19.87 yen	-19
TRY: 7.65 yen → 6.81 yen	-103
BRL: 26.28 yen → 27.30 yen	60
Other (AUD, IDR, etc.)	21
<b>Total</b>	<b>1,122</b>

## [Exchange rate sensitivity (1 yen/year)]

	Net sales	Operating profit
USD	151	75
EUR	141	95

## [Factors behind changes in cost of sales ratio]

While sales of products using high-cost materials procured and produced in the previous fiscal year advanced, sales remained at the same level as the previous fiscal year due to a decrease in transportation costs and the effect of a review of sales prices.

[FX impact on net sales, cost of sales, and operating profit]

Net sales 1,942 - Cost of sales 440 - SG&A expenses 379 = Operating profit 1,122

(1) FX impact

(2) Impact of change  
in net sales

(3) Impact of change  
in cost of sales ratio

(4) Impact of change in  
SG&A expenses

1,122

1,712

92

-2,329

4,241

Cost of sales ratio

59.7%

↓

59.6%

(-0.1pt)

SG&A expenses ratio

34.3%

↓

35.5%

(+1.2pt)

4,840

Operating profit  
(FY2022)

Operating profit  
(FY2023)

Operating profit +598 million yen

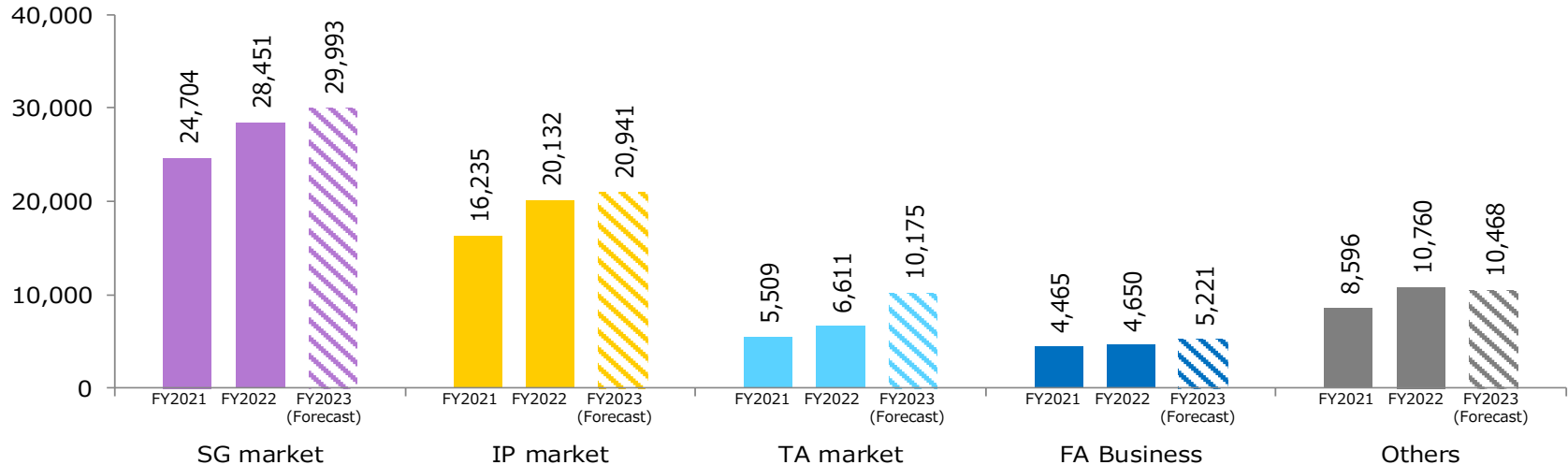


# Sales Forecast by Market Segment (FY2023)



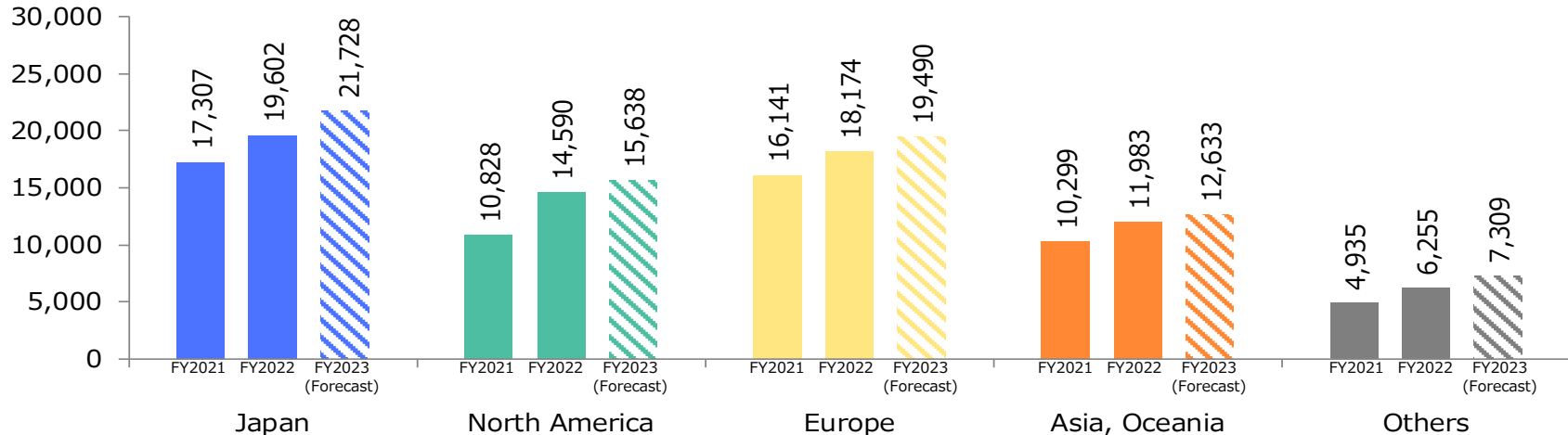
(Millions of yen)	FY2022		FY2023							
	Fiscal year Actual	Sales ratio	Second half Forecast (Revised, net)	Change from FY2022	Fiscal year Forecast (Revised)	Change from FY2022			Sales ratio	Change from previous forecast
						Amount	Percentage	Percentage*		
SG market	28,451	40.3%	15,741	+996	29,993	+1,541	+5.4%	+2.3%	39.1%	-2,826
IP market	20,132	28.5%	11,457	+733	20,941	+809	+4.0%	+1.3%	27.3%	+62
TA market	6,611	9.4%	6,078	+2,811	10,175	+3,563	+53.9%	+49.3%	13.2%	+1,468
FA business	4,650	6.6%	3,085	+678	5,221	+570	+12.3%	+12.3%	6.8%	-895
Others	10,760	15.2%	4,999	-483	10,468	-291	-2.7%	-	13.6%	+990
Total	70,607	100.0%	41,362	+4,735	76,800	+6,192	+8.8%	+6.0%	100.0%	-1,200

\* Excluding the impact of exchange rate



# Sales Forecast by Area (FY2023)

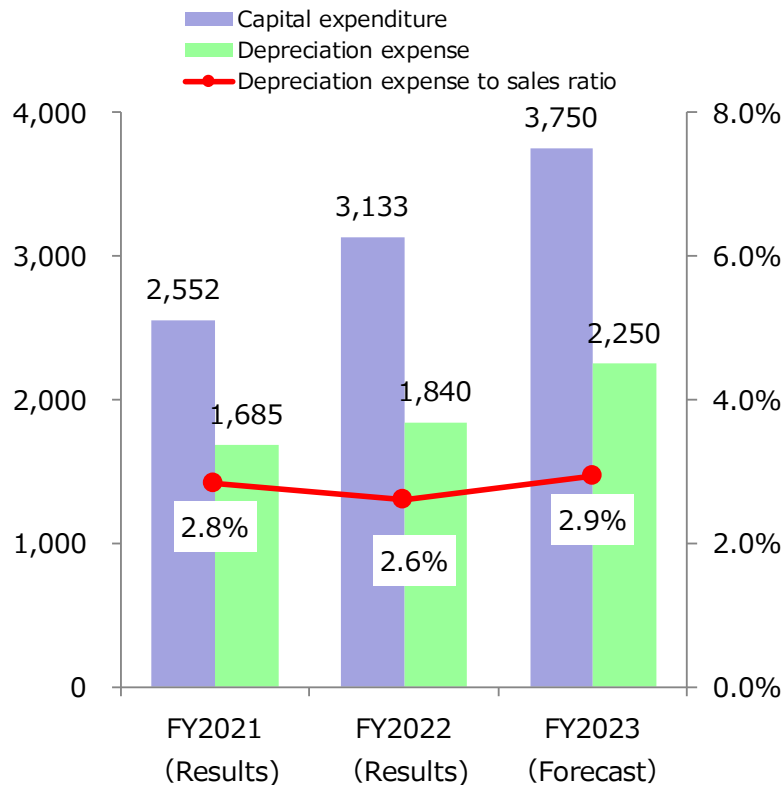
(Millions of yen)	FY2022		FY2023						
	Fiscal year Actual	Sales ratio	Second half Forecast (Revised,net)	Change from FY2022	Fiscal year Forecast (Revised)	Change from FY2022		Sales ratio	Change from previous forecast
						Amount	Percentage		
Japan	19,602	27.8%	11,659	+1,238	21,728	+2,125	+10.8%	28.3%	+1,040
North America	14,590	20.7%	8,532	+1,052	15,638	+1,048	+7.2%	20.4%	-101
Local currency:\$	107.6M	-	60.9M	+6.3M	111.1M	+3.4M	3.2%	-	-7.2M
Europe	18,174	25.7%	11,019	+1,364	19,490	+1,316	+7.2%	25.4%	-1,955
Local currency:€	128.9M	-	75.9M	+8.5M	131.2M	+2.3M	1.8%	-	-26.4M
Asia, Oceania	11,983	17.0%	6,762	+729	12,633	+649	+5.4%	16.4%	-641
Others	6,255	8.9%	3,388	+351	7,309	+1,053	+16.8%	9.5%	+457
Total	70,607	100.0%	41,362	+4,735	76,800	+6,192	+8.8%	100.0%	-1,200



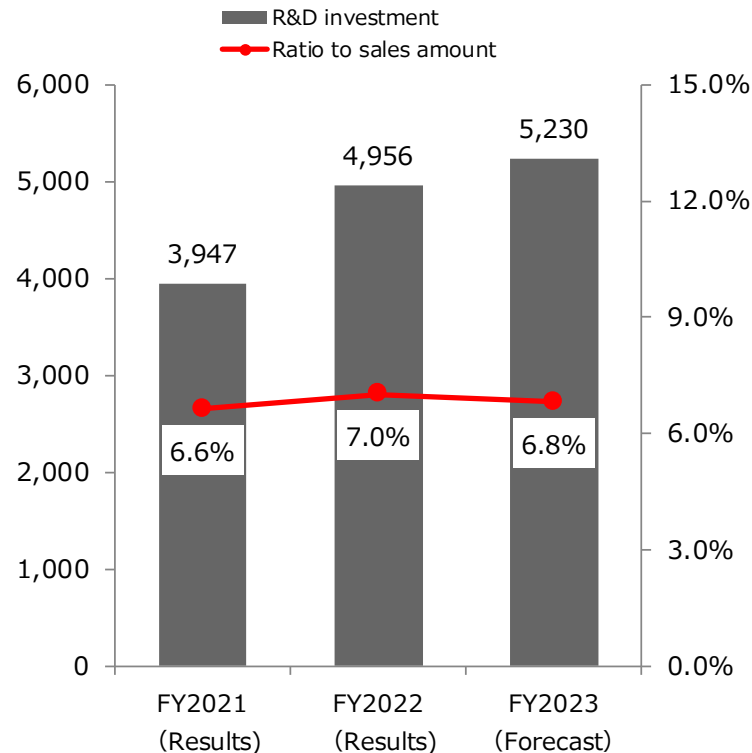
# Forecast of capital expenditure, depreciation, and R&D investment (FY2023)



(millions of yen)



(millions of yen)



※ The above amount shows the total cost of research and development activities, and includes expenses related to improvement and application etc. of existing products.

# Shareholder Returns

## Dividend Policy

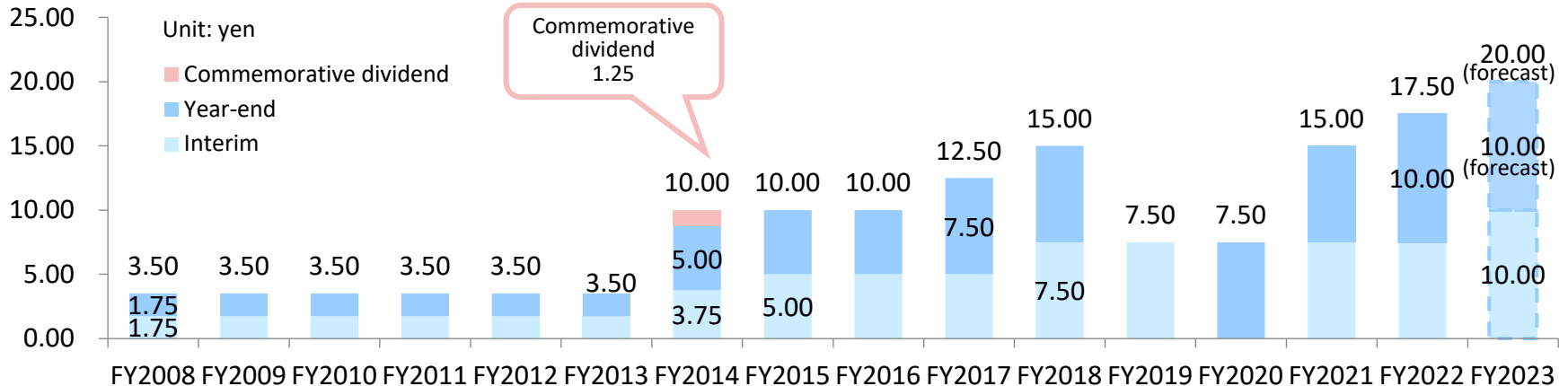
Mimaki Engineering positions shareholder returns as a crucial strategy in our management. The Company's basic policy aims to stably and continuously pay out dividends commensurate with growth in business performance.

- Dividends for FY2022 Interim: 7.5 yen, Year-end: 10.0 yen

The annual dividend was increased to 17.5 yen, based on the current period's business performance and outlook, as well as the Company's policies for stable and continuous shareholder returns.

- Dividends for FY2023 Interim: 10.0 yen, Year-end (forecast) : 10.0 yen

Based on the future outlook and our policy of stable and continuous shareholder returns, we will increase the annual dividend to 20.0 yen.



\*The commemorative dividend for the fiscal year ended March 31, 2015 is related to the listing on the First Section of the Tokyo Stock Exchange.

\*The Company conducted a 2-for-1 stock split effective April 1, 2015 (the dividend before the split has been adjusted retroactively).

For inquiries regarding this material,  
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[Disclaimer]

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The utmost care was taken in ensuring accuracy during the creation of this document; however, no guarantees are made as to its completeness. The Company accepts no responsibility whatsoever for any inconveniences or damages incurred due to use of the information contained in this document.

Performance forecasts and future estimations contained in this document were formulated by the Company based on information that was available when the document was created, and are subject to potential risks and uncertainties. Therefore, various factors such as changing business environments could lead to significantly different outcomes in actual performance compared to the forecasts mentioned or described herein. Thank you for your understanding.